

VZCZCXYZ0010
RR RUEHWEB

DE RUEHUL #4034/01 3260643
ZNR UUUUU ZZH
R 220643Z NOV 06
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC 1467
INFO RUEHBJ/AMEMBASSY BEIJING 1570
RUEHKO/AMEMBASSY TOKYO 1662
RHHMUNA/CDR USPACOM HONOLULU HI
RUALSFJ/COMUSJAPAN YOKOTA AB JA
RHMFIUU/COMUSKOREA J2 SEOUL KOR
RHMFIUU/COMUSKOREA J5 SEOUL KOR
RHMFIUU/COMUSKOREA SCJS SEOUL KOR
RHEHNSC/NSC WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//

UNCLAS SEOUL 004034

SIPDIS

SIPDIS

E.O. 12958: N/A
TAGS: [ELAB](#) [ECON](#) [ETRD](#) [KS](#)
SUBJECT: STATE OF THE UNIONS

SUMARRY

¶1. (SBU) Facing declining union membership and fears that the KORUS FTA may further weaken the plight of the working class in Korea, the two largest trade union umbrella organizations in Korea, the Korean Confederation of Trade Unions (KCTU) and Federation of Korean Trade Unions (FKTU), are very concerned. Public support for organized labor continues to wane as frequent protests snarl traffic and make life difficult for those living and working in downtown Seoul. KCTU is trying to increase its profile by blocking the KORUS FTA and by asking the National Assembly to not ratify new legislation that makes it easier for employers to hire temporary workers. Despite a relatively weak showing on November 15, KCTU continues to threaten broader strikes on November 22 if the government does not respond adequately to their demands. END SUMMARY

A HOLE IN THE UMBRELLA

¶2. (U) In 2005, the unionization rate in Korea stood at 10.3 percent, down from a peak of 25.4 percent in 1977. In addition to a move away from unions in general, there is also a trend for unions to move away from the two largest umbrella organizations, KCTU and FKTU. Last year, the number of unions associated with the two groups fell, while unions not associated with either group increased by 130 unions or a total of 93,547 workers. Allegations of corruption and questions of allegiance amid the ranks of union officials are often cited as reasons for workers losing trust of the umbrella organizations. For these reasons, many workers and employers were hopeful that the proposal to allow multiple unions in the workplace and the direct pay of union workers by the unions would address some of these concerns. If the current proposal stands, these amendments will not go into effect until January 2010.

FREEDOM OF ASSEMBLY QUESTIONED

¶3. (U) In a move that enraged unions and drew applause from the public, the Seoul Metropolitan Police Agency banned two November rallies that were scheduled to take place in central Seoul, citing "traffic congestion" as grounds for the refusal. Looking for another opportunity to voice opposition to the KORUS FTA and delayed labor legislation, the KCTU planned to rally as many as 200,000 members for a march on November 12. The rival organization, the FKTU, had planned

to gather 30,000 members in downtown Seoul on November 25. Both petitions were refused based on Article 12 of the demonstration law that allows the police to ban gatherings that can cause severe traffic congestion. The decision by Seoul's police also comes about a month after local business owners held a protest against protests. Owners expressed their concerns about the lax control by the police of the large crowds and the increased chance of violence. After the business owners protest, Seoul's Chief of Police Lee Tak-soon said that he would seek measures to ban all demonstrations in central areas to prevent traffic congestion.

14. (U) Despite KCTU's charge that the police were limiting their right to freely assemble, KCTU went forward with smaller scale marches that were purposely toned down to avoid unwanted negative publicity. Police noted that the march from Seoul Station to Seoul Square took only 30 minutes to complete as opposed to the normal pace of 50 minutes. KCTU representatives at the event were actively encouraging participants to move quickly and refrain from chanting inflammatory statements during the event. Woo Moon-suk, spokesman for KCTU, said that his organization is trying hard to come up with ideas to mitigate negative public views of their activities. The question of how the organization operates in future rallies will likely be a point of contention as the group selects a new chairman in January 2007. A recent editorial entitled "Protest the Protests" spoke out in favor of limiting the right to assemble saying this right should not infringe on the rights of other citizens. Similar editorials appeared in many of the major newspapers in Seoul.

15. (U) Despite the prevalence of demonstration in Korea, the U.N. Human Rights Committee has expressed concerns that use of Article 12 rejections for gatherings may be too broad an interpretation of the law. Last month, the U.N. Committee questioned the ROK about the freedom of assembly and specifically asked for detailed information about how often and under what circumstances Article 12 has been used to deny the right to assemble.

STATUS OF THE TRI-PARTITE COMMISSION ON LABOR

16. (U) Following a pivotal meeting of the Tri-Partite Commission in September, the Minister of Labor, Lee Sang-soo, announced that he would submit changes to Korea's labor law to the National Assembly. Although Lee touted the announcement as the product of the three parties (government, management, and workers) coming together on a key policy issue, KCTU was not present at the negotiations, thereby calling into question whether the agreement was truly representative of all three sectors of the committee. NOTE: The changes, including a further delay in introducing multiple unions in the workplace and direct pay for union officials, were submitted to the National Assembly and are scheduled for a vote before the end of the year. END NOTE.

LACK OF INTERNAL SUPPORT

17. (U) In response to KCTU's exclusion from the process, albeit self imposed, they announced that their 700,000 members would launch a preliminary walkout on November 15 and a massive walkout on November 22. When the union put the proposed walkouts to a vote, they failed to receive the required 50 percent response rate with only 46.8 percent of members casting votes. Some experts cite the lack of votes as a general antipathy toward involving unions in a "political" issue. Others point to this as further evidence that KCTU's unions are less supportive of the umbrella organization's mission than in the past. In a breakfast meeting on November 2, Minister Lee said that he doubted KCTU would be able to muster widespread support for a walkout, citing their lack of support in recent weeks. In the first walkout staged on the 15th, a less than expected 57,000 workers participated in a four-hour work stoppage that caused Hyundai motors and Kia motors to lose about 1,500 and 1,033

vehicles worth of production respectively.

COMMENT

18. (SBU) While it is true that unions are facing some tough challenges and many question their tactics and motivations, the shift away from trade unions in Korea is also a natural progression. As Korea moves from a manufacturing-based to a service-based economy, this trend is likely to continue, especially as Koreans move away from the difficult and dangerous jobs that are often accompanied by lower wages. The deficit of low-wage workers is likely to be filled by foreigners and temporary Korean workers who are often not afforded the same protections and benefits as regular workers.

VERSHBOW